

South Coast Air Quality Management District

Statement of Basis

Proposed Title V Permit Renewal

Facility Name:	Engineered Polymer Solutions Inc.
Facility ID:	74060
SIC Code:	2821
Equipment Location:	5501 E Slauson Avenue Los Angeles, CA 90040
Application #(s):	549164
Application Submittal Date(s):	03/29/2013
AQMD Contact Person:	Stephen Jiang
Phone Number:	(909) 396-3134
E-Mail Address:	sjiang@aqmd.gov

1. Introduction and Scope of Permit

Title V is a national operating permit program for air pollution sources. Facilities subject to Title V must obtain a Title V permit and comply with specific Title V procedures to modify the permit. This permit replaces the facility's other existing permits. Title V does not necessarily include any new requirements for reducing emissions. It does, however, include new permitting, noticing, recordkeeping, and reporting requirements.

Pursuant to Title V of the federal Clean Air Act and AQMD Rule 3004(f), a Title V permit shall expire five years from the date of issuance unless such permit has been renewed. Accordingly, each facility is required to submit a Title V renewal application and requested the AQMD to renew their Title V permit. The proposed permit incorporates updates to the facility information provided in the facility's Title V renewal application and all rules and regulations that are currently applicable to the facility.

The AQMD implements Title V through Regulation XXX – Title V Permits, adopted by the AQMD Governing Board in order to comply with EPA's requirement that local air permitting authorities develop a Title V program. Regulation XXX was developed with the participation of the public and affected facilities through a series of public workshops, working group meetings, public hearings and other meetings.

The Title V major source threshold for a particular pollutant depends on the attainment status of the pollutant. NO₂, SO₂, CO, and lead are in attainment with federal standards. The status for PM-10 is serious nonattainment. The status for ozone is currently extreme nonattainment.

A Title V renewal permit is proposed to be issued to cover the operations of Engineered Polymer Solutions Inc. (EPS), 5501 East Slauson Avenue, Los Angeles, CA 90040. This facility is subject to Title V requirements because it is a major source.

2. Facility Description

EPS is a Title V facility that manufactures a variety of resins including latex, alkyd and urethane resins for paints and coatings. EPS currently operates reactors, mix tanks, raw materials and finished products storage tanks, and a boiler. Some of the reactors are equipped with a water-cooled condenser to allow for solvent reflux in the reaction tanks. Emissions from the facility include volatile organic compounds (VOCs) from the solvent usage, particulate matters due to the use of pigment powders, and combustion pollutants generated by the boiler and process heaters. The VOC emissions from the facility are being controlled by an afterburner followed by a waste heat boiler.

3. Construction and Permitting History

The facility has been in operation with a Title V permit at this location since 2009. This is the 1st time the facility applies for the Title V permit renewal. There are two permit revisions were issued since January 2009. One revision is in January 2010 for modification/alteration of the reaction process, and the other revision is in 2012 for replacing the tank content for one of the storage tanks.

4. Regulatory Applicability Determinations

Applicable legal requirements for which this facility is required to comply are required to be identified in the Title V permit (for example, Sections D, E, and H of the proposed Title V permit). Applicability determinations (i.e., determinations made by the District with respect to what legal requirements apply to a specific piece of equipment, process, or operation) can be found in the Engineering Evaluations. This facility is not subject to any NSPS or NESHAP requirements.

5. Monitoring and Operational Requirements

Applicable monitoring and operational requirements for which the facility is required to comply are identified in the Title V permit (for example, Sections D, F, and J and Appendix B of the proposed Title V permit). Discussion of any applicable operational requirements can be found in the Engineering Evaluations. All periodic monitoring requirements were developed using strict adherence to the following applicable guidance documents: SCAQMD Periodic Monitoring Guidelines for Title V Facilities (November 1997); CAPCOA/CARB/EPA Region IX Periodic Monitoring Recommendations for Generally Applicable Requirements in SIP (June 1999); and

CAPCOA/CARB/EPA Region IX Recommended Periodic Monitoring for Generally Applicable Grain Loading Standards in the SIP: Combustion Sources (July 2001).

The VOC emissions from the resin manufacturing systems are being controlled by the afterburner. The uncontrolled VOC emissions to the afterburner are greater than the major source threshold for 10 tons per year. As a result, the afterburner is subject to the Compliance Assurance Monitoring (CAM) requirements of 40 CFR Part 64. Permit conditions were added to satisfy the CAM requirements at the Title V Permit on January 30, 2009. Such permit conditions were developed using the design criteria and other pertinent requirements identified in 40 CFR 64 - Compliance Assurance Monitoring and Technical Guidance Document and in the August 1998 Revised Draft CAM.

6. Permit Features

Permit Shield

A permit shield is an optional part of a Title V permit that gives the facility an explicit protection from requirements that do not apply to the facility. A permit shield is a provision in a permit that states that compliance with the conditions of the permit shall be deemed compliance with all identified regulatory requirements. To incorporate a permit shield into the Title V permit involves submission of applications for change of conditions for each piece of equipment affected by the permit shield. Permit shields are addressed in Rule 3004 (c). This facility has not applied for a permit shield.

Streamlining Requirements

Some emission units may be subject to multiple requirements which are closely related or redundant. The conditions may be streamlined to simplify the permit conditions and compliance.

Emission limits, work practice standards, and monitoring, recordkeeping, and reporting requirements may be streamlined. Compliance with a streamlined condition will be deemed compliance with the underlying requirements whether or not the emission unit is actually in compliance with the specific underlying requirement. This facility has not applied for any streamlined conditions.

7. Summary of Emissions and Health Risks

**Criteria Pollutant Emissions (tons/year)
Annual Reported Emissions for Reporting Period 2013**

Pollutant	Emissions (tons/year)
NO _x	1.134
CO	1.312
VOC	5.084
PM	1.295
SO _x	0.009

**Toxic Air Contaminants Emissions (TAC)
Annual Reported Emissions for Reporting Period 2013**

Pollutant	Emissions (lbs/yr)
Ammonia	99.968
Benzene	0.249
Formaldehyde	0.692
Naphthalene	0.009
PAHs	0.003

Health Risk from Toxic Air Contaminants

The facility is subject to review by the Air Toxics Information and Assessment Act (AB2588). AQMD is tracking status of facility under AB2588.

8. Compliance History

As noted, the facility has been in constant operation with a Title V permit since 2009. The facility has been subject to both self-reporting requirements and AQMD inspections. The facility has had no citizen complaints filed, Notices to Comply or Notices of Violation issued in the last two years. The facility is currently operating in compliance with all applicable rules and regulations.

9. Compliance Certification

By virtue of the Title V permit application and issuance of this permit, the reporting frequency for compliance certification for the facility shall be annual.